

**Audit Committee  
Meeting Minutes  
November 7, 2005**

**Kiva Conference Room, First Floor, City Hall  
3939 North Drinkwater Boulevard  
Scottsdale, AZ 85251**

**Members Present:** Chairman Lane  
Committee Member Ecton  
Committee Member Littlefield

**City Staff Present:** Cheryl Barcala, City Auditor  
Gail Crawford, Internal Auditor  
Mike Worth, Audit Associate  
Brad Hartig, CIO  
Craig Clifford, Financial Services General Manager  
Neal Shearer, Assistant City Manager  
Lisa Blyler, Assistant to Mayor and Council

Chairman Lane called the meeting to order at 1:33 p.m.

Roll was taken with all members in attendance.

Minutes of the August 31, 2005, Audit Committee Meeting were approved.

**General Business:**

**Item 1** – The Computer Replacement Funding Audit looked at the use and accounting for the funds that apply to the replacement of PCs, network components, and servers. The scope was limited to the use of funds and accounting for it. The audit did not look at actual practices, so there are no issues regarding life expectancy or life cycle used for replacements.

There are three programs included in the report that are counted in the CIP General Capital Project Fund – PC Replacement, Network Components, and Server Replacement. We found that the majority of the funds were used appropriately. However, the scope of the programs was fairly broad.

Discussion ensued regarding the recommendations and the appropriate use of CIP Funds.

Mr. Clifford questioned the City Auditor Responses in the report.

Committee Member Littlefield made a motion to recommend the report to the full Council with a change to the City Auditor Response on page 22. Motion seconded and carried.

**Item 2** – The status of audits currently underway was reviewed.

**Item 3** – Ms. Barcala provided a draft list of audits for consideration for the 2006 Audit Plan. The Committee requested additional information be provided and sent to Committee Members.

**Public Comments** – None.

**Committee Comments** – None.

With no further business to discuss, the public meeting of the Audit Committee was adjourned at 3:15 p.m.

Respectfully submitted,

Gail Crawford